

WAYS OF DEVELOPMENT OF THE MEDIA INDUSTRY IN THE CONDITIONS OF DIGITALIZATION OF THE ECONOMY

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Abstract: *The report explores the features of the development of the media industry under the influence of the processes of global digital transformation. The main trends of modern digital development that affect the media industry of Ukraine are determined.*

Key words: digitalization, society, content, media product, media advertising.

The rapid development of digital technologies, penetrating almost all spheres of economic activity, cannot bypass the media industry, which is trying to meet the needs of the audience for prompt access and convenient consumption of current information. The digital transformation of society most noticeably affects traditional media, primarily printed publications, broadcast radio and television, whose news function was quickly taken over by Internet information resources. According to various forecasts, printed publications will not disappear completely, but in a few years, they will serve a narrow segment of consumers. In this regard, new ways of supplying and consuming content, developed on the basis of digital technologies, are of particular importance in the context of the economic development of Ukraine in the conditions of global digitalization.

The media industry is a very dynamic industry and is characterized by a large number of driving forces. Digitalization, new market offerings and competition from digital players are driving rapid change in this sector of the economy. Traditional media concepts are fading away, the entire industry is undergoing a fundamental change: streaming services are no longer just platforms for consuming movies and TV programs, they are now investing in the production and licensing of very effective content of their own. Thus, they are in direct competition with the traditional TV and video industry [1-12]. In addition, video-on-demand has revolutionized consumer behavior, with consumers increasingly expecting relevant and compelling video content that can be accessed anytime, anywhere and in a format that best suits their immediate needs. Digitalization is fundamentally changing production processes and content distribution. All-IP is becoming the standard for television and video, and high-speed fiber optic networks and 5G enable more flexible and mobile media consumption. They are supplemented by new functions based on artificial intelligence and analytics for targeted appeal to consumers [1, 4, 7, 11].

Analyzing user data allows you to optimize advertising and content, increase the value for potential customers and ultimately attract them as consumers. But how quickly this happens depends largely on the willingness of consumers to provide their data. Market regulation in the media industry will be more moderate than today. Particularly in the area of online and mobile services, this will reduce regulatory pressure on all market participants, especially traditional media companies. Net neutrality will continue [2, 8, 12]. Broadcasters and content producers can no longer rely on their current market position. To secure their business models and future revenue streams, they must open themselves up to alliances, including with direct competitors. Co-productions, co-distribution models, and even co-platforms are appropriate ways to counter the threat from digital platform providers such as Netflix, Amazon, Apple, or Google.

In addition, existing broadcasters and content producers must continually invest in their digital expertise as technology has become a core element of their business processes [3, 5, 9].

In modern conditions, there are four possible scenarios for the development of the television and video industry.

In the first development scenario, several global digital platforms could take the lead in aggregating and distributing content from national broadcasters. Such companies will control the television market and enter all stages of the technological chain, including the creation, aggregation and distribution of content, as well as direct relations with consumers. Like large supermarkets, each digital platform will be able to offer a wide range of global and national content

The second scenario for the development of the media industry is that large international owners of information resources will become winners in the process of market transformation. Companies will be able

to vertically integrate across the entire technology chain, as well as buy and lease content from other platforms and companies to distribute it through their own channels, establishing direct relationships with consumers.

The third scenario is the successful transformation of national broadcasters and securing a strong position in the ecosystem. TV companies can turn into digital platforms that establish direct relationships with customers and start providing content on demand. To do this, they should develop new digital capabilities as well as introduce new services such as targeted advertising and recommendation features that give digital video platforms a competitive edge. In addition, high relevance of content to national audiences puts broadcasters in a better position in the market, supported by regulatory measures such as content quotas.

The fourth scenario for the development of the media industry may be the transformation of the TV and video industry market into a diverse ecosystem without dominant players. Instead, consumers will have access to multiple video platforms, a wide variety of content, and a constantly changing marketplace. Demand for national content will remain strong, so partnerships between international and local companies will also be widespread. A clear distinction between video production and distribution is another key feature of this scenario [1, 4, 7, 10, 12].

Although the proposed four scenarios for the development of the media industry in the context of digitalization are very different from each other, several overarching implications are very relevant to all of them. First, TV companies can no longer rely on their current market positions. For successful development, TV companies need to be open to cooperation and alliances. Secondly, content producers must constantly invest in technology development, attract digital talent.

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